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51% of health insurance holders are underinsured: Apollo Munich



Almost 51 per cent of health insurance policyholders in India are underinsured despite steady rise in policy sold, said a report Apollo Munich Health Insurance. At 52 per cent men are more underinsured, that is they have purchased low sum insured health insurance policies that would not suffice in medical emergencies, it said.

Although the number of health insurance policyholders in India is increasing annually, people most often choose the lowest sum

insured policy, without comprehending the entire process of choosing an appropriate cover.

Some of the reasons are lack of awareness about how to pick the right sum insured, overdependence on corporate health insurance coverage, willingness to pay a premium that is only up to the highest limit of rebate under Section 80D of the Income Tax Act etc., it added.

Speaking about the study, Antony Jacob, CEO, Apollo Munich Health Insurance, said that on the one hand India faces a challenge of lack of health insurance penetration, on the other hand those who have health insurance are underinsured.

Underinsurance is a somber problem as it not only results in increased stress and sudden out of pocket expenditure for policyholders during times of medical exigencies.

ICICI Prudential Life Insurance shares to list on September 29: Report

Shares of ICICI Prudential Life Company Ltd. (ICICI Prudential), which recently approached the primary market with its initial public offering (IPO), will be listed on the stock exchanges on September 29, according to moneycontrol.com.



The company had offered 18.13 crore shares at a price band of Rs. 300-334 per share. The issue price has been fixed at Rs. 334 per share. The largest private sector insurer had raised Rs 1,635 crore from anchor investors by selling 48.96 million at the upper end of the price band from institutional investors.

The upper end of the price band indicates an implied market capitalisation of Rs. 47,940 crore for the company, brokerage Angel Broking had said in a note.

Post-issue, the share of the insurer's promoters will come down to 88.6 percent from the current 100 percent. ICICI Prudential Life Insurance Company is a joint venture between private sector lender ICICI Bank and British insurance company Prudential Corporate Holdings.

Bajaj Allianz bets big on two-wheeler package policy



Bajaj Allianz General Insurance is eyeing for 30 percent of its total two-wheeler insurance sales through long-term package policy by the end of this fiscal. The private sector non-life insurer has already sold 6,000 such policies so far in 2016-17. Two-wheelers can be insured for up to three consecutive years under this policy which was introduced at the beginning

of the current fiscal.

We have already sold 6,000 policies under the long-term two-wheeler package policy which was kicked off on April 1. We are looking at 30 percent of our total two-wheeler insurance sales to happen through this policy by the fiscal-end, Bajaj Allianz General Managing Director and Chief Executive Tapan Singhel said.

The company will use the telematics-based offering to reward customers showcasing good driving behaviour. The facility comes with 12 value-added features, providing not only safety and security to customers, but also savings and convenience, he told reporters on the sidelines of launch of the company's new offering called 'Drive Smart'.

The three-year long-term package for two-wheelers is currently available at an average annual premium of Rs 3,000. To achieve 30 percent of the total two-wheeler insurance sales by the fiscal-end through this route, we are banking on online sales which are currently responsible for 7-8 percent of total two-wheeler sales, he said.

PM National Health Insurance scheme will be a gamechanger: Min

Union minister Faggan Singh Kulaste today termed as "gamechanger" the Prime Minister National Health Insurance Scheme, which is under consideration, and pitched for dialogue between stakeholders, including health and insurance industry for its successful implementation.



He said the present scheme for BPL people, under Rashtriya Swasthya Bima Yojana (RSBY), has expanded the national health insurance scheme with more than 75 per cent coverage.

The Prime Minister's insurance scheme would be a 'game changer' in coverage and enhanced benefits. The new scheme would entail larger financial commitment from the government.

The private health and insurance industry could partner in creating more facilities for treatment of patients, such as leveraging idle beds in private hospitals, the Minister of State for Health and Family Welfare said at the 10th Health Insurance Summit 2016 organised by the CII. He also said the new national insurance scheme would devotail fragmented schemes to make the project more homogeneous and impact-oriented.

Quick News

Customer-friendly life policies see more renewals

Regulatory changes in 2010 rocked the boat for most life insurers, but the new rules appear to be working in their favour now. More and more policyholders are now renewing their policies rather than letting them lapse, a trend that was rampant even a couple of years ago. This is thanks to insurers re-jigging their products to comply with the regulatory norms, making them more customer-friendly. Improving persistency and regulatory changes have contributed to these, along with a whole new set of consumer friendly policies.

Andhra Bank inks pact with Cigna TTK, Reliance General Insurance

Andhra Bank has entered into corporate agency agreements with Cigna TTK Company and Reliance General Insurance Company for providing health and general insurance respectively, to its customers. The tie-up with both the insurance companies will immensely benefit the customers by providing alternatives in choosing products. These partnerships will provide mutual benefit to the bank and insurance companies in tapping the potential in the market and also help in increasing the insurance coverage.

Max India gets shareholders' nod for composite merger plan

Max India Ltd said it has received shareholders' approval for amalgamation of Max Life Insurance Company with Max Financial Services as also the demerger of insurance business for transfer to HDFC Standard Life Insurance Company. It is reported that the decision follows postal ballot result. The company passed an ordinary resolution to approve the process. The result of the aforesaid resolution was declared. As more than 93 per cent votes were received in favor of the above resolution, it was declared that the aforesaid resolution was approved with requisite majority, Max India said.

Regulator seeks fuller disclosure from insurers looking to list



Securities and Exchange Board of India (SEBI) will seek fuller disclosure from insurance companies looking to list on stock exchanges. This will include embedded value, details on policies, value of new business, and their maturity, apart from financial information. Embedded value is the sum of the net asset value and present value of future profits of an insurance company. Net asset value is assets minus liabilities.

A SEBI official said, Any company planning to list and approaching SEBI with draft prospectus will have to adhere to SEBI's strict disclosure norms. In case of insurance firms, SEBI will insist on declaration of embedded value, policy maturity time table, and audit qualification, among others. IRDAI disclosure norms have been made in consultation with SEBI. IRDAI is Insurance Regulatory and

Development Authority of India.

In its discussion paper on listing, IRDAI had proposed to ask some insurance companies to mandatorily list on the exchanges based on the number of years they have been in business. In its discussion paper on listing of Indian insurance companies, IRDAI said that they would issue directions for general insurers (including health and reinsurers) to take steps to get listed after completion of eight years of operations. All life insurers will have to take steps to get shares listed on completion of 10 years.

In the run-up to the listing, all insurance companies shall initiate steps to ensure the level of disclosure in public domain is brought up to the level of listed entities as stipulated by IRDAI and SEBI. These disclosures could cover such aspects as embedded value, segment-wise lapsation of policies and contribution of profitability, among others, said IRDAI.

Burn calories to lower health insurance cost

Burn more calories, pay less? Hitting the gym everyday may help you gain more rewards than usual. Insurers are now looking at making health covers cheaper for their more fitness-conscious customers by tracking their health routine.

In a variable premium product, Cigna TTK Health Insurance launched its 'pay-as-you-workout' concept, where it is offering to charge its policyholders less if they manage to burn more in calories.

Earlier this week, Bajaj Allianz General Insurance had also launched a variable premium product with its 'pay-as-you-drive' motor insurance policy — enabled by telematics technology.

Cigna TTK Health has launched 'Get Proactive India', where policyholders get rewarded for being fit. We have a mobile app, which you can sync with any fitness wearable from Fitbit, Garmin or pedometers. The mobile app will maintain a daily log of your activities. The more you work out, the higher the reward points on the app.

At the end of the year, you can use the points to pay less for your policy or use them towards availing of other health benefits like pharmacy bills, doctors' consultations, says Sandeep Patel, CEO & MD, Cigna TTK Health Insurance.

While walking activity gets automatically updated on the app, for non-trackable activities like yoga, aerobics and dance, policyholders have the option of manually entering activity log. "Healthy reward points are earned based on the quantum of physical activity, and One point earned equals Re 1. High-intensity workouts like cycling, swimming and weight training can make the reward points ticker soar, says Cigna's Patel.



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